

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: IES UTILITIES INC.	DOCKET NOS. TF-00-157 TF-00-158 (ECR-96-3)
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ORDER APPROVING TARIFFS AND REQUIRING ADDITIONAL INFORMATION

(Issued July 21, 2000)

Rule 199 IAC 35.12 allows utilities to recover previously approved energy efficiency costs, deferred energy efficiency costs, and estimated contemporaneous energy efficiency expenditures through an annual adjustment. On June 27, 2000, IES Utilities Inc. (IES) filed with the Utilities Board (Board) proposed tariff revisions, identified as TF-00-157 and TF-00-158, to its electric and gas energy efficiency cost recovery factors. IES requested an August 1, 2000, effective date. No objections to the proposed tariffs have been filed.

The Board has reviewed the proposed tariffs and will approve them. IES' calculations appear to be in compliance with 199 IAC 35.12. The Board notes that its review pursuant to the rule is limited to determining that the cost recovery factors are calculated correctly. A disallowance of costs can occur only after a prudence review.

Subrule 35.12(2) requires utilities to file their proposed automatic adjustment by March 1 of each year for the 12-month period beginning at the start of the first billing month at least 30 days after the Board's approval of the filing. On March 3, 1999, the Board granted IES a waiver in Docket No. WRU-99-4-151 that allowed IES

to file its cost recovery factors in late June with an August 1 effective date. No request for waiver of the 30-day period was filed this year. While the Board will grant a waiver of the 30-day period on its own motion, IES is reminded that next year's proposed factors should be filed on or before June 1 for an August 1 effective date.

In reviewing IES' filing, the Board found there are some significant differences between the budget filed in IES' last reconciliation and actual expenditures in this year's filing. IES will be required to explain the following amounts, which are the differences between the budget in IES' June 29, 1999, filing, and actual and estimated expenditures in the current filing:

1. Electric: general administration, \$1,159,870; high efficiency equipment, \$948,533; direct load control, \$414,913; and industrial process, \$366,045.
2. Gas: general administration, \$563,897; industrial process, \$398,852; new construction, \$246,263; and audits, \$357,684.

IT IS THEREFORE ORDERED:

1. Tariff filings TF-00-157 and TF-00-158 are approved, effective August 1, 2000, subject to complaint or investigation.
2. The Board on its own motion waives, to the extent discussed in this order, 199 IAC 35.12.

3. IES Utilities Inc. shall provide the information identified in this order within 30 days of the date of this order.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 21st day of July 2000.